

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 97-332-C - ORDER NO. 97-986  
NOVEMBER 18, 1997

IN RE: Application of Georgia National Acceptance Corp. D/B/A First Tel for a Certificate of Public Convenience and Necessity to Provide Local Telecommunications Services throughout the State of South Carolina. ) ORDER  
 ) APPROVING  
 ) CERTIFICATE  
 ) TO PROVIDE  
 ) LOCAL SERVICE  
 )

This matter comes before the Public Service Commission of South Carolina ("the Commission") by way of the Application of Georgia National Acceptance Corp. d/b/a First Tel ("First Tel" or "the Company"). The Application requests that the Commission issue a Certificate of Public Convenience and Necessity to allow First Tel to provide resold local exchange telecommunications services in the State of South Carolina. The Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1996), and the Regulations of the Commission.

By letter dated August 11, 1997, the Commission's Executive Director instructed First Tel to publish, one time, a prepared Notice of Filing and Hearing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing and Hearing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings and to provide notice of the

hearing date on this matter. First Tel complied with this instruction and provided the Commission with proof of publication of the Notice of Filing and Hearing. A Petition to Intervene was received from the South Carolina Telephone Coalition ("SCTC").

A hearing was convened on October 30, 1997, 11:30 a.m. in the Commission's Hearing Room. The Honorable Guy Butler, Chairman, presided. First Tel was represented by Robert D. Coble, Esquire. The Commission Staff ("Staff") was represented by Florence P. Belser, Staff Counsel. SCTC did not appear at the hearing.

Prior to the hearing, First Tel and the SCTC executed a Stipulation dated September 10, 1997. The Stipulation was filed with the Commission prior to the hearing in this matter. As a result of the Stipulation, SCTC withdrew its intervention in the Docket. The Stipulation was introduced as a Hearing Exhibit (Hearing Exhibit No. 1). The Stipulation provides the following:

- (1) The SCTC does not oppose the granting of a statewide Certificate of Public Convenience and Necessity to First Tel if the Commission makes the necessary findings to grant the Certificate and if all stipulated conditions are met;
- (2) First Tel agrees that any Certificate granted by the Commission will authorize First Tel to provide service only to customers located in non-rural local exchange company ("LEC") service areas except as otherwise provided;
- (3) First Tel agrees that it is not requesting the Commission to find whether competition is in the public interest for rural areas;
- (4) First Tel agrees that it will not provide local service, by its own facilities or otherwise, to any customer in a rural incumbent LEC's service area, unless and until First Tel provides such rural incumbent LEC and the Commission with written notice of its intent to do so at least

thirty (30) days prior to the date of the intended service. During such notice period, the rural incumbent LEC will have the opportunity to petition the Commission to exercise all rights afforded it under Federal and State law. First Tel also acknowledges that the Commission may suspend the intended date for service in rural LEC territory for ninety (90) days while the Commission conducts any proceeding incident to the Petition or upon the Commission's own Motion, provided that the Commission can further suspend the implementation date upon showing of good cause;

- (5) First Tel agrees that if, after First Tel gives notice that it intends to serve a customer located in a rural incumbent LEC's service area, the Commission receives a Petition from the rural incumbent LEC to exercise its rights under Federal or State law, or the Commission institutes a proceeding of its own, then First Tel will not provide service to any customer located within the service area in question without prior and further Commission approval;
- (6) First Tel acknowledges that any right which it may have or acquire to serve a rural telephone company service area in South Carolina is subject to the conditions contained herein, and to any future policies, procedures, and guidelines relevant to such proposed service which the Commission may implement, so long as such policies, procedures and guidelines do not conflict with Federal or State law;
- (7) First Tel and the SCTC agree that all rights under Federal and State law are reserved to the rural incumbent LECs, and that the stipulation in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications to which they may be entitled; and
- (8) First Tel agrees to abide by all State and Federal laws and to participate, to the extent it may be required to do so by the Commission, in the support of universally available telephone service at affordable rates.

This stipulation is consistent with our decision in Order No. 96-494 (Docket No. 96-073-C). It was signed voluntarily by both

the SCTC and First Tel, was filed with the Commission prior to the hearing in this matter, and was made a part of the record at the hearing. We therefore approve the stipulation.

In support of its Application, First Tel presented A. J. Connell, President and Treasurer of First Tel, to testify. The purpose of Mr. Connell's testimony was to present evidence on the technical, managerial, and financial abilities of First Tel to provide resold local exchange telecommunications services in South Carolina.

#### DISCUSSION

S.C. Code Ann. §58-9-280 (Supp. 1996) provides that the Commission may grant a certificate to operate as a telephone utility ... to applicants proposing to furnish local telephone service in the service territory of an incumbent LEC.

After full consideration of the applicable law, First Tel's Application, and the evidence presented at the hearing, the Commission finds and concludes that the Certificate sought by First Tel should be granted. The Commission's determination is based on the following criteria as provided in S.C. Code Ann. §58-9-280 (Supp. 1996) and the evidence presented at the hearing which relates to that criteria:

(1) The Commission finds that First Tel possesses the technical, financial, and managerial resources sufficient to provide the services requested. S.C. Code Ann. §58-9-280(B)(1) (Supp. 1996). To demonstrate First Tel's technical qualifications, Mr. Connell testified that First Tel is approved and providing

services in Georgia. Mr. Connell also stated that First Tel is seeking authority to provide service in North Carolina. The record further reveals that First Tel employs short term technicians in its Georgia operations and that First Tel intends to employ full time technicians as needed.

Concerning First Tel's managerial qualifications, Mr. Connell testified that he has been involved in the telecommunications industry for approximately 3 years. Further, Mr. Connell stated that First Tel is operating in good standing with the regulatory agencies in Georgia where First Tel is presently operating.

Regarding First Tel's financial resources, the record reveals that First Tel is a corporation organized under the laws of the State of Georgia. Mr. Connell testified that First Tel has sufficient financial resources to provide local services. The record also discloses that Mr. Connell has personally guaranteed the operations of First Tel.

No other party offered any evidence in opposition to Mr. Connell's testimony. Based on the undisputed evidence of the record, the Commission finds that First Tel possesses the technical, financial, and managerial resources sufficient to provide the services requested.

(2) The Commission finds that First Tel will provide services that will meet the service standards of the Commission. S.C. Code Ann. §58-9-280(B)(2) (Supp. 1996). Mr. Connell testified that First Tel proposes to provide local exchange telecommunications services to both residential and business customers. Mr. Connell

specifically stated that First Tel will comply with all applicable rules, policies, and statutes applicable to the offering of services and that First Tel fully intends to meet the Commission's service standards. Furthermore, Mr. Connell stated that First Tel would make certain changes to its tariff, as suggested by Staff, to bring the tariff into compliance with Commission Rules and Regulations. No party offered any evidence to dispute Mr. Connell's testimony. Based on the undisputed testimony from Mr. Connell, the Commission believes, and so finds, that First Tel will provide telecommunications services which will meet the service standards of the Commission.

(3) The Commission finds that First Tel's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1996). Mr. Connell stated that First Tel's service offerings would not adversely impact the availability of affordable local exchange service. Mr. Connell offered that certification of First Tel would encourage competition in the marketplace and provide service to consumers currently unable to get service. No party offered any evidence that the provision of local exchange service by First Tel would adversely affect local rates. Therefore, based on the undisputed evidence of record, the Commission finds that provision of local exchange services by First Tel will not adversely impact affordable local exchange service.

(4) The Commission finds that First Tel will support universally available telephone service at affordable rates. S.C.

Code Ann. §58-9-280(B)(4) (Supp. 1996). Mr. Connell testified that First Tel will comply with the Commission's universal service requirements. No party disputed Mr. Connell's testimony. Based on the undisputed evidence of record, the Commission finds that First Tel will participate in support of universally available telephone service at affordable rates.

(5) The Commission finds that the provision of local exchange service by First Tel "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1996). Mr. Connell stated that approval of First Tel to provide local services would not adversely impact the public interest and offered that consumers would benefit by competition in the telecommunications marketplace. Mr. Connell's testimony was undisputed as no party offered any evidence that approval of First Tel's Application would adversely impact the public interest. Therefore, the Commission finds that approval of First Tel's Application for a Certificate to provide local exchange service "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1996).

Therefore, based on the findings above, the Commission finds and concludes that the Certificate sought by First Tel should be granted.

IT IS THEREFORE ORDERED THAT:

1. The Application of First Tel for a Certificate of Public Convenience and Necessity to provide resold local exchange telecommunications services in the State of South Carolina is

approved.

2. The Stipulation filed by First Tel and the SCTC is approved by this Commission, is binding upon First Tel and the SCTC, and shall be implemented as set forth in the Stipulation. We therefore make no findings or conclusions regarding competition in the rural areas of South Carolina. First Tel shall conduct its operations in compliance with the Stipulation until further Order of the Commission.

3. First Tel shall file, prior to offering local exchange services in South Carolina, a final tariff of its service offerings. The final tariff shall include the modifications and changes as proposed by the Commission Staff and to which First Tel agreed.

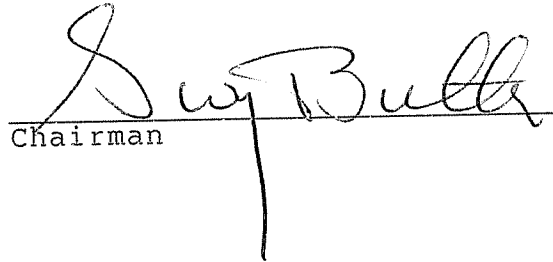
4. First Tel shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, and tests and repairs. In addition, First Tel shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. First Tel shall file with the Commission the names, addresses, and telephone numbers of these representatives within thirty (30) days of receipt of this Order. (Attachment A shall be utilized for the provision of this information to the Commission.) Further, First Tel shall promptly notify the Commission in writing if the representatives

are replaced. First Tel is directed to comply with all Commission regulations unless expressly waived by the Commission.

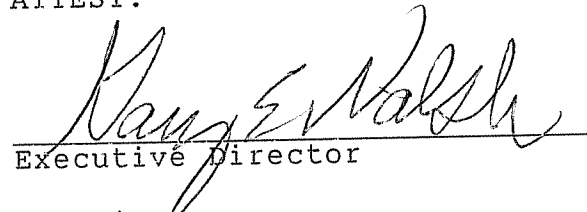
5. First Tel shall conduct its business in accordance with Commission decisions and Orders, both past and future, including, but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.

6. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

Deputy   
Executive Director  
(SEAL)

DOCKET NO. 97-332-C - ORDER NO. 97-986  
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ATTACHMENT A

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INFORMATION OF THE AUTHORIZED UTILITY REPRESENTATIVES  
FOR INTEREXCHANGE, LOCAL AND AOS COMPANIES

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
REGULATION 103-612.2.4(b), each utility shall file and  
maintain with the Commission the name, title, address, and  
telephone number of the persons who should be contacted in  
connection with Customer Relations/Complaints.

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Company Name/DBA Name

---

Business Address

---

City, State, Zip Code

---

Authorized Utility Representative (Please Print or Type)

---

Telephone Number

---

Fax Number

---

E-Mail Address

---

This form was completed by

---

Signature

If you have any questions, contact the Consumer Services  
Department at 803-737-5230